

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Benson International, Inc.

Kentucky Manufacturing Assistance Center

Trailer Company Expands Its Haul with Help from Kentucky MEP

Client Profile:

Benson International (Benson) is one of the leading U.S. manufacturers of custom designed industrial and commercial transportation products for domestic and export markets. Products include steel and aluminum dump truck trailers and bodies, 35- to 70-ton lowboys, moving floor and refuse trailers, steel drop deck platform trailers, non-pneumatic dry bulk hopper trailers, logging trailers, off road bodies and trailers, and the well-known Benson all aluminum platform trailer. Benson, headquartered in Mineral Wells, West Virginia, operates additional manufacturing plants in Meyersdale, Pennsylvania, and Oneida, Tennessee. A fourth manufacturing plant, under construction in Cadiz, Kentucky, is set to begin full production with 30 employees by March 2006, but with projections calling for as many as 250 additional workers within two to five years. Benson employs 27 people at its headquarters in Mineral Wells, West Virginia.

Situation:

Benson company officials, concerned that the long lead time for producing aluminum platform trailers would begin to negatively impact customer satisfaction and sales, decided to expand their capacity with a new manufacturing facility in Trigg County, Kentucky. To help ensure that the expansion would address Benson's current and future market demand, the Kentucky Cabinet for Economic Development's Department for Regional Development and the Trigg County Industrial Authority, asked for assistance from the Kentucky Manufacturing Assistance Center (KMAC) a NIST MEP network affiliate. KMAC's assignment was to help Benson design a production process that would deliver the throughput to meet existing and projected market demand.

Solution:

To establish a baseline, KMAC reviewed Benson's current production operation looking at the flow of the value stream, process layout, tasks and skills utilized at each work station; and equipment used. Working with Benson's key leadership group, KMAC staff facilitated the development of a future state value stream map for the new facility. Based on Benson's "future vision" of its process, KMAC evaluated equipment and process layout options. Finally, KMAC staff provided a recommended process design, including equipment as well as staffing levels and skills, which would allow Benson to meet current and projected customer demand, significantly reduce lead time, and lower production cost.

Results:

- * Increased sales by \$12 million.
- * Created 30 new jobs.
- * Cost savings of \$250,000.

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- * Avoided unnecessary investments of \$1 million.
- * Increased investment in plant or equipment by \$2.9 million.
- * Increased investment in workforce practices or employee skills by \$100,000.
- * Reduced work-in-process inventory and increased inventory turns.
- * Improved business and strategic planning, plus customer development and retention.
- * Improved customer satisfaction, competitiveness, and profit margin.
- * Increased revenue or cash flow and market share.
- * Improved employee skills and work environment.
- * Increased sales per employee.

Testimonial:

"We knew that expansion without improved processes would only be a partial solution for meeting customer demand. We needed advice on how to apply better manufacturing practices in order to become more productive. KMAC provided that advice. They delivered a process design which exceeded our expectations for productivity improvement, lead time reduction, and increased throughput. KMAC staff proved to be knowledgeable, experienced professionals who partnered with us to design a process that will help Benson achieve long term success."

Donnie Holland, President